Morning Comment

AIB Treasury Economic Research Unit

Tuesday 21 October 2025
06:42 am

Firmer dollar over the past 24 hours

Investor sentiment started the week holding a ‘risk-on’ tone yesterday. Some conciliatory comments over the weekend from the White House regarding US-China trade relations, helped to ease concerns, for now, over a prolonged and extensive trade war between the world’s two largest economies. This included President Trump confirming that he still planned to meet Chinese president Xi later this month.

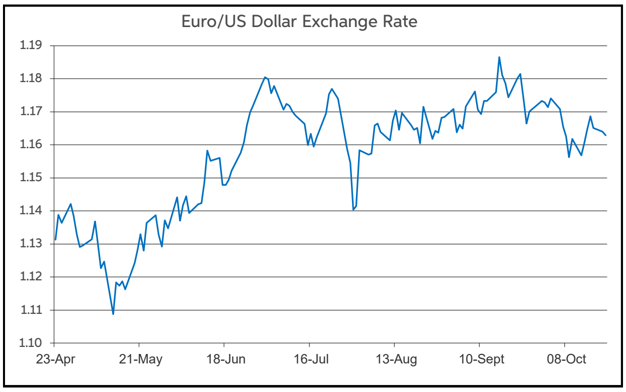
News that the US had signed a critical minerals deal with Australia (giving US access to rare earths minerals) was also supportive of investor sentiment yesterday. The improvement in risk appetite was evident in gains amongst the main equity indices on both sides of the Atlantic. In Europe, the Euro Stoxx 50 rose by 1.3%. Meanwhile, at the closing bell on Wall Street last night, the S&P 500 was 1.1% higher on the day.

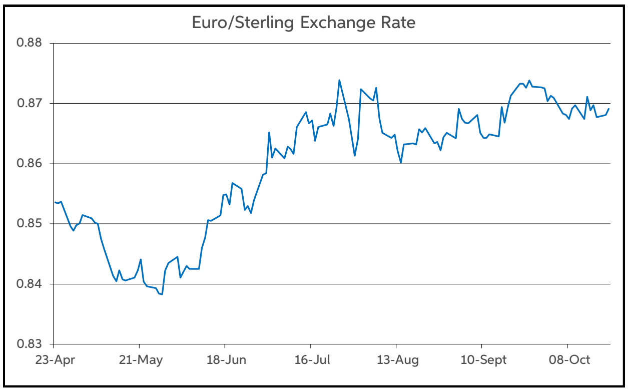
On the currency front, the action amongst the majors has been confined to relatively narrow ranges. Of the moves to register over the past 24 hours, the dollar has made some gains on the exchanges. The greenback has been supported by the easing of concerns regarding US/China trade relations as well as the news of the ‘minerals’ deal between the US and Australia.

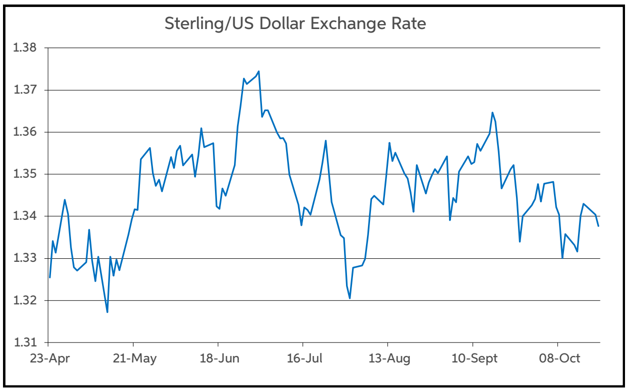
The firmer tone to the dollar is reflected in the EUR/USD pair opening this morning in the lower half of $1.16-1.17. Meanwhile, GBP/USD has fallen back below the $1.34 level, while USD/JPY has regained the ¥151 mark. Elsewhere, EUR/GBP has maintained a very tight trading corridor just under the 87p threshold.

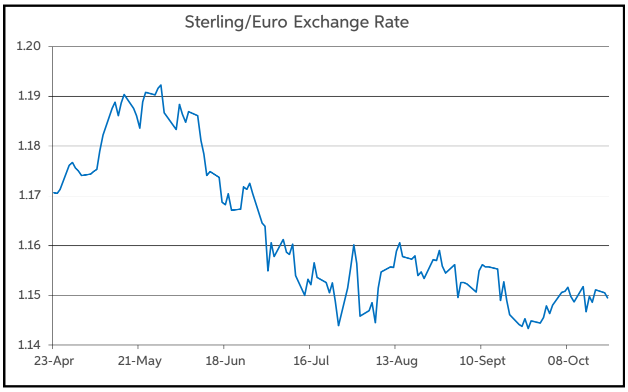
Looking ahead to today, the macro data schedule remains very quiet. Indeed, there are no releases of any note from either the European or US diaries. Therefore, against this backdrop, the main FX pairs could operate within confined ranges over the course of today.

John Fahey, Senior Economist, AIB









Today's Opening FX Rates

		% Change	
		Day *	End 2024
EUR/USD	1.1628	-0.36	12.32
EUR/GBP	0.8691	0.05	5.05
GBP/USD	1.3373	-0.45	6.89
GBP/EUR	1.1499	-0.05	-4.81
USD/JPY	151.44	0.56	-3.65
EUR/JPY	176.09	0.18	8.20

* v Previous Day's European Open

See Next Page for More Rates

Opening Interest Rates

		Money Market		Swap Rates		
	Base Rate	1-Mth	3-Mth	1-Yr	2-Yr	5-Yr
USD	4.13	3.99	3.86	3.47	3.51	3.52
EUR	2.00	1.92	2.01	2.08	2.08	2.28
GBP	4.00	3.94	3.92	3.73	3.86	3.91

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

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All Data Sourced from Refinitiv

Opening Levels

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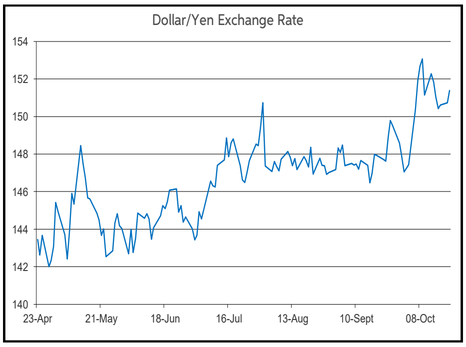
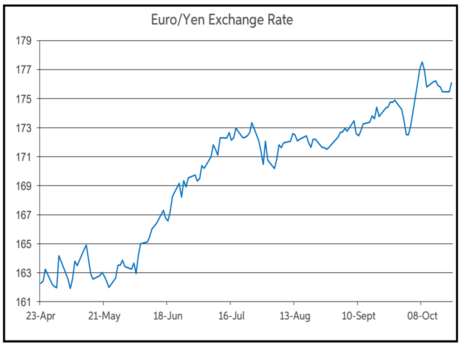
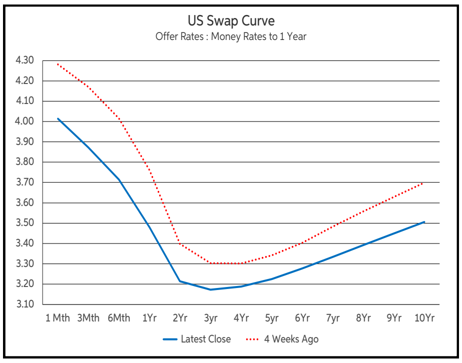
Euro	
EUR/GBP	0.8691
EUR/USD	1.1628
EUR/JPY	176.09
EUR/SEK	10.9765
EUR/DKK	7.4678
EUR/NOK	11.7117
EUR/CHF	0.9223
EUR/AUD	1.7901
EUR/HKD	9.0298
EUR/CAD	1.634

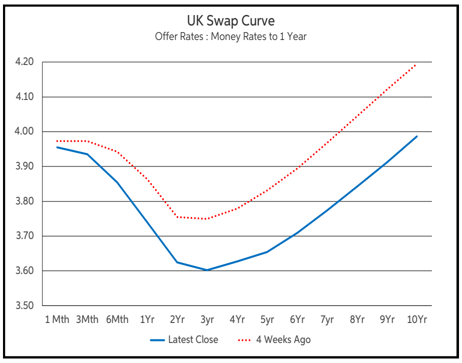
Sterling	
GBP/EUR	1.1499
GBP/USD	1.3373
GBP/CAD	1.8794
GBP/NZD	2.3371
GBP/JPY	202.52
GBP/SEK	12.6233
GBP/DKK	8.5878
GBP/NOK	13.4717
GBP/CHF	1.0609
GBP/AUD	2.0588

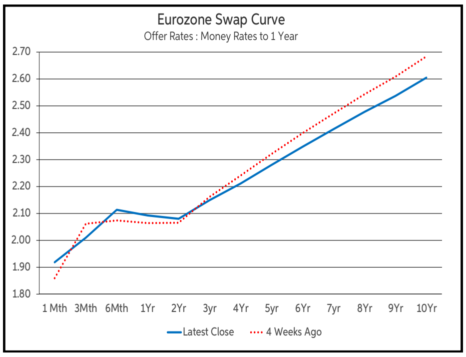
Dollar	
USD/JPY	151.44
USD/CAD	1.4053
USD/CHF	0.7931
USD/CNY	7.1186
USD/BRL	5.3732
USD/RUB	80.8
USD/INR	88.031
AUD/USD	0.6493
NZD/USD	0.5719

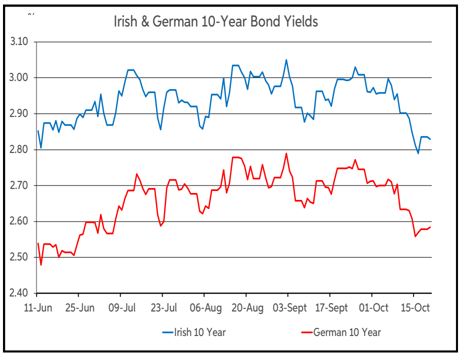












Debt Markets

	Close	Day	4 Weeks	End 24
		Change bps		
10 Year Yield %				
US	3.99	-2	-16	-59
Germany	2.58	+1	-16	+22
UK	4.52	-2	-20	-6
Ireland	2.83	-1	-16	+18
Belgium	3.14	+1	-15	+15
France	3.37	+1	-19	+17
Italy	3.37	-1	-20	-15
Spain	3.11	+1	-19	+5
Portugal	2.97	+1	-19	+12
Greece	3.25	+0	-17	-0
5 Year Swap %				
US	3.51	-0	-8	-78
Eurozone	2.26	-0	-12	+2
UK	3.91	-1	-16	-37
2 Year Swap %				
US	3.49	+2	-13	-84
Eurozone	2.06	-1	-8	-13
UK	3.85	-2	-14	-63
10 Year Government Bond Spreads to Benchmark bps				
Ireland	25	-1	+0	-4
Belgium	55	+1	+2	-7
France	78	+0	-3	-5
Italy	79	-1	-4	-37
Spain	53	-0	-2	-17
Portugal	39	+0	-3	-10
Greece	66	-0	-1	-22

Commodities

	Close	Day	4 Weeks	End 24
		% Change		
Brent Oil	61.01	-0.46	-8.35	-18.26
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold $	4355.3	+2.51	+16.26	+65.99

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